



The President's Daily Brief

~~Top Secret~~ 26 January 1968



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DAILY BRIEF
26 JANUARY 1968

1. Korea

Pyongyang is now talking about bringing the Pueblo's crew to trial. A North Korean broadcast last night said "these criminals must be dealt with by law" and "receive due punishment." There is no new information on the location or condition of the crew.

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2. Suez Canal

Working under the shadow of Israeli guns, the Egyptians start survey operations along the southern part of the canal tomorrow. This is the first step toward clearing that portion of the canal and freeing the 15 trapped ships. The Egyptians are estimating more than two months for the operation.

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3. Soviet Union

Over the past weeks there have been clear signs that the Soviet leadership is having trouble dealing with some important problems. Brezhnev cancelled a trip to Cairo; Kosygin's Indian visit was up in the air until the last minute. A meeting of the central committee also appears to have been repeatedly postponed. This in itself suggests the Politburo has not been able to resolve some issue.

Just what is plaguing Russian leaders is hard to say--they certainly have a wide variety of problems. We suspect relations with the US, Vietnam, and recent developments in Czechoslovakia are high on the list of knotty issues.

Often when the Soviet leadership shows signs of disarray, the rumor mills begin churning about changes at the top.

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4. Peru

Belaunde and the Peruvian Congress are at loggerheads over the budget. The President wants Congress to levy more taxes to finance his programs; the Congress is refusing and wants the budget cut. The military, final arbiter in Peru, is irritated over the impasse and wants a compromise. Military leaders are again thinking of taking over unless there is a meeting of presidential and congressional minds.

5. Guatemala

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6. Brazil

The military, at least in the vital southern part of the country, reportedly has gone on alert status. The reason is not yet clear, but it may be an effort to put pressure on Costa e Silva. His willingness to tolerate a vocal political opposition is unpopular with army officers and they may be trying to force a new get-tough policy.

7. Communist China

Peking seems unable or unwilling to exert authority over much of the country. In recent days there has been a spate of authoritative editorials denouncing factional fighting. Once these would have brought instant compliance. Now the feuding Red Guards turn a deaf ear and go on fighting. Some cities are described by travelers as in anarchy. The army sits on the side lines waiting for the contenders to exhaust themselves.

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